

The State shall actively implement appropriate research findings and should document benefits.

(b) Each State shall conduct peer reviews of its RD&T program and should participate in the review of other States' programs on a periodic basis. To assist peer reviewers in completing a quality and performance effectiveness review, the State shall disclose to them information and documentation required to be collected and maintained under this subpart. Travel and other costs associated with peer reviews of the State's program may be identified as a line item in the State work program and will be eligible for 100 percent Federal funding. At least two members of the peer review team shall be selected from the FHWA list of qualified peer reviewers. The peer review team shall provide a written report of its findings to the State. The State shall forward a copy of the report to the FHWA Division Administrator with a written response to the peer review findings.

(c) Documentation that describes the management process and the procedures for selecting and implementing RD&T activities shall be developed and maintained by the State. The documentation shall be submitted by the State to the FHWA Division office for FHWA approval. Significant changes in the management process also shall be submitted by the State for FHWA approval. The State shall make the documentation available, as necessary, to facilitate peer reviews.

§ 420.209 State work program.

(a) The State's RD&T work program shall, as a minimum, consist of an annual or biennial description of activities and individual RD&T activities to be accomplished during the program period, estimated costs for each eligible activity, and a description of any cooperatively funded activities that are part of a national or regional pooled study including the NCHRP contribution. The State's work program should include a list of the major items with a cost estimate for each item.

(b) The State's RD&T work program shall include financial summaries showing the funding levels and share (Federal, State, and other sources) for

RD&T activities for the program year. States are encouraged to include any activity funded 100 percent with State or other funds.

(c) Approval and authorization procedures in § 420.115 are applicable to the State's RD&T work program.

§ 420.211 Eligibility of costs.

(a) Unless otherwise specified in this section, the eligible costs for Federal participation in § 420.113 are applicable to this part.

(b) Costs for implementation of RD&T activities in conformity with the requirements and conditions set forth in this subpart are eligible for Federal participation.

(c) Indirect costs of a State transportation agency RD&T unit are allowable to the extent specified in § 420.113(b).

(d) Indirect costs of other State agencies and organizations are allowable if supported by a cost allocation plan and indirect cost proposal in accordance with OMB requirements.

§ 420.213 Certification requirements.

(a) Each State shall certify to the FHWA Division Administrator before June 30, 1995, that it is complying with the requirements of this subpart. For those States unable to meet full compliance by June 30, 1995, the FHWA Division Administrator may grant conditional approval of the State's RD&T management process. A conditional approval shall cite those areas of the State's management process that are deficient. All deficiencies must be corrected by January 1, 1996. A copy of the certification shall be submitted with each work program. A new certification will be required if the State significantly revises its management process for the RD&T program.

(b) The certification shall consist of a statement signed by the Administrator, or an official designated by the Administrator, of the State transportation agency certifying as follows: I (name of certifying official), (position title), of the State (Commonwealth) of _____, do hereby certify that the State (Commonwealth) is in compliance with all requirements of 23 U.S.C. 307 and its implementing regulations with respect to the research, development and technology transfer program,